WILLOUGHBY & HOEFER, P.A.

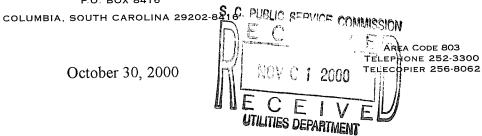
ATTORNEYS & COUNSELORS AT LAW 1022 CALHOUN STREET (SUITE 302)

P.O. BOX 8416

MITCHELL M. WILLOUGHBY JOHN M.S. HOEFER B. CRAIG COLLINS ELIZABETH ZECK* PAIGE J. GOSSETT JENNY ANDERSON HORNE*

*ALSO ADMITTED IN NC **ALSO ADMITTED IN TX

October 30, 2000



Jul C'

VIA HAND-DELIVERY

The Honorable Gary E. Walsh **Executive Director South Carolina Public Service Commission** 101 Executive Center Drive Post Office Drawer 11649 Columbia, SC 29211



Application of SCANA Communications, Inc., to Amend its Certificate of RE: Public Convenience and Necessity so as to Provide for Intrastate Local Exchange and Exchange Access Telecommunications Services within the State of South Carolina and for Flexible Regulation of Those Services, and so as to Modify the Limitation Concerning the Provision of Private Line and Special Access Services.

Dear Mr. Walsh:

Enclosed for filing are the original and ten copies of the Application of SCANA Communications, Inc., in the above matter. I would appreciate you acknowledging receipt of these documents by date-stamping the extra copies of the Application enclosed and returning them to us via the courier.

If you have any questions regarding this matter please do not hesitate to contact us

Sincerely,

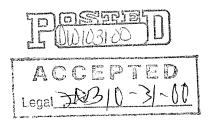
WILŁOUGHBY & HOEFER, P.A.

BCC/swh Enclosure

Calvin K. Hastie, Sr., Esquire CC:

Mr. Larry G. Vincent

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BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

Docket No. 2000-<u>5</u>36-C

S. C. PUBLIC SERVICE COMMISSION

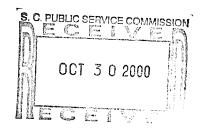
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E C E V E

IN RE:

Application of SCANA Communications,
Inc., to Amend its Certificate of Public
Convenience and Necessity so as to Provide)
for Intrastate Local Exchange, Exchange
Access, and Interexchange
Telecommunications Services within the
State of South Carolina and for Flexible
Regulation of Those Services, and so as to
Modify the Limitation Concerning the
Provision of Private Line and Special Access)
Services.

APPLICATION



SCANA Communications, Inc. ("SCI"), pursuant to Section 58-9-280 of the Code of Laws of South Carolina, as amended, Rule 103-834 of the Commission's Rules of Practice and Procedure, and other applicable law, submits the within Application to amend its Certificate of Public Convenience and Necessity so as to allow it to provide any and all intrastate local exchange, exchange access, and interexchange telecommunications services within South Carolina and to allow flexible

regulation of those services, and so as to modify the limitation concerning the area in which it may provide Private Line and Special Access Services. In support of this Application, SCI would show as follows:

I. BACKGROUND

- 1. SCI is a corporation organized and existing under the laws of the State of South Carolina. SCI is a wholly-owned subsidiary of SCANA Corporation, a South Carolina corporation. Copies of SCI's Articles of Incorporation (formerly MPX Systems, Inc.) and Certificate of Existence are attached hereto as Exhibit A.
- 2. SCI's authorized representative, and its legal name, address, and principal business office are:

Larry G. Vincent SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

3. SCI's attorneys in this proceeding are:

Calvin K. Hastie, Sr. SCANA Legal Department 1426 Main Street Columbia, SC 29201 (803) 217-7741

Mitchell Willoughby
B. Craig Collins
Willoughby & Hoefer, P.A.
PO Box 8416
Columbia, South Carolina 29202-8416
(803) 252-3300

4. SCI owns and operates fiber optic telecommunications facilities in South Carolina. It currently has approximately 730 miles of fiber optic lines in the state. On July 5, 1996, this Commission granted SCI a Certificate of Public Convenience and Necessity to provide intrastate non-switched point-to-point telecommunications services as a "carrier's carrier" within the state and to provide Private Line and Special Access Services within the service area of BellSouth Telecommunications, Inc. *See* Order No. 96-451, Docket No. 96-089-C (July 5, 1996), a copy of which is attached hereto as Exhibit B.

II. LOCAL EXCHANGE AND EXCHANGE ACCESS SERVICES

5. SCI seeks the authority to provide resold and facilities-based local exchange and exchange access telecommunications services throughout the State of South Carolina. Although SCI seeks authority to provide local exchange and exchange access services within the entire state, SCI is willing to abide by the conditions previously established by the Commission before a competitive local exchange carrier

("LEC") may provide such services within the service area of a rural incumbent LEC, including providing thirty days' written notice of its intent to provide local service within a rural incumbent LEC's service area.

- 6. SCI's management has the business and technical experience needed to execute the business plans described herein in an efficient, reasonable, and effective manner. Attached hereto as Exhibit C is a description of the experience and qualifications of SCI's key management personnel.
- 7. SCI has available the financial resources needed to fund and support the provision of the telecommunications services described herein. A copy of SCI's most recent financial statement, which demonstrates the financial soundness of SCI, is attached hereto as Exhibit D.
- 8. Initially, SCI intends to provide high-speed data services using digital subscriber line ("DSL") technology. SCI may offer other services, including voice services, at a later time. A description of the local services to be offered initially by SCI is contained in the illustrative tariff attached hereto as Exhibit E.
- 9. Approval of SCI's request will serve the public interest and will provide benefits to telecommunications users in South Carolina. By allowing SCI to provide the services for which authority is requested herein, the public convenience and necessity will be served in that local competition will be enhanced, communication

facilities will be used more efficiently, lower prices to consumers will ultimately result, and more reliable, diverse, and innovative telecommunications services will be provided in this state.

- 10. SCI's request is consistent with the "pro-competitive, de-regulatory national policy framework" set forth in the Telecommunications Act of 1996, "designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition" Conference Report 104-458, Joint Explanatory Statement of the Committee of Conference, at 113.
- 11. SCI submits that it possesses the technical, financial, and managerial resources sufficient to provide the services requested herein; the services to be provided will meet any standards that the Commission may adopt; provision of the services will not adversely impact the availability of affordable local exchange service; SCI, to the extent it may be required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and provision of the services for which authority is requested herein will not otherwise adversely impact the public interest.
- 12. SCI requests that its local exchange and exchange access services be regulated in accordance with the flexible regulation principles and procedures and the

maximum rate structure first established by the Commission in Order No. 98-165, Docket No. 97-467-C.

III. <u>INTEREXCHANGE SERVICES</u>

- 13. SCI seeks the authority to provide resold and facilities-based interexchange telecommunications services throughout the State of South Carolina.
- 14. As shown in Part II above, SCI has the financial, managerial, and technical resources available to provide these telecommunications services in an efficient, reasonable, and effective manner.
- 15. A description of the interexchange services to be offered initially by SCI is contained in the illustrative tariff attached hereto as Exhibit F.
- 16. Approval of SCI's request will serve the public interest in that interexchange competition will be enhanced, communication facilities will be used more efficiently, and more reliable and diverse services will be available to South Carolina consumers.
- 17. SCI requests flexible regulation of its interexchange services in accordance with the principles and procedures first established by the Commission in Docket No. 95-661-C.

IV. PRIVATE LINE AND SPECIAL ACCESS SERVICES

- 18. SCI seeks to remove the limitation in its certificate of authority that allows it to provide Private Line and Special Access Services only within the service area of BellSouth Telecommunications, Inc. Although this amendment to SCI's certificate would allow it to provide Private Line and Special Access Services within the entire state, SCI is willing to abide by the same conditions for providing such services in the service area of a rural incumbent LEC as apply to the provision of local exchange and exchange access services within a rural incumbent LEC's service area.
- 19. SCI submits that its request will serve the public interest in that it will further promote competition, and the benefits that come with competition, in the provision of Private Line and Special Access Services within South Carolina.

V. REQUEST FOR RELIEF

WHEREFORE, SCI requests that the Commission amend SCI's Certificate of Public Convenience and Necessity so as to allow it also to provide resold and facilities-based local exchange, exchange access, and interexchange services within the State of South Carolina and to authorize flexible regulation for those services; amend SCI's Certificate of Public Convenience and Necessity so as to remove the limitation allowing

the provision of Private Line and Special Access Services only within the service area of BellSouth Telecommunications, Inc.; and grant such other relief as is just and proper.

October/9, 2000

Respectfully submitted,

Mitchell Willoughby
B. Craig Collins

Willoughby & Hoefer, P.A.

1022 Calhoun Street, Suite 302

PO Box 8416

Columbia, South Carolina 29202-8416

(803) 252-3300

Calvin K. Hastie, Sr. SCANA Legal Department 1426 Main Street Columbia, SC 29201 (803) 217-7741

Attorneys for SCANA Communications, Inc.

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EXHIBIT AArticles of Incorporation and Certificate of Existence

ASTAKEN FROM AND COMPARED WITH THE CREATE ON FILE BY THIS OFFICE.

STATE OF SOUTH CAROLINA SECRETARY OF STATE ARTICLES OF INCORPORATION

APR 1 2 2000

OF

	<i>! </i>	MPX SYSTEMS, INC.	A CONTRACTOR OF THE PARTY OF TH
BETARY OF 6-	i Hill	(File This Form in	This Space For Use By
retary of St.	For OBS The series	Duplicate Originals)	The Secretary of State
	The Secretary of State	(Sect. 33-7-30 of 1976 Code)	
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	Date		AM PM
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	1. The name of the proposed co	orporation is MPX SYSTEM	S, INC.
		1.426 M	lain Street
	2. The initial registered office of	of the corporation is	Street and Number
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Maria Maria			
			ed agent at such address is
	Edward C. Robe	rts	***************************************
		e corporation shall be perpetual 🗴	vvvvvvvv veess k
	3. The period of duration of the	le Corporation anam de perpendands	
	4. The corporation is authoriz	ed to issue shares of stock as follow	₩8:
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	gsfegtivex	4	
	7. The number of directors	esses of the persons who are to serv eir successors be elected and qualif	irectors of the corporation is One
	V. C. Summer		P. O. Box 7.64 Columbia SC 29
	Name		Address
	Name	*************	Address
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			one of following to the	
ç	Provisions which the incorporators elect to include in	the articles of in	corporation are as tono	ws.
	NONE.			
	10. The name and address of each incorporator is.			
	Nume Street & Box No.	City	County	State
	ASBURY H. GIBBES P. O. Box 764	Columb	ia Richland	s.c.
		Á	// ^	
		N86m	Signature of Incorporator)	
	Date October 1, 1984	ASBURY H.	GIBBES (Type or Print Name)	
		***************************************	Signature of Incorporator)	
			(Type or Print Name)	
			(Signature of Incorporator)	
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STATE OF SOUTH CAROLINA	
COUNTY OF RICHLAND	
The undersigned ASBURY H. GIBBES	
do hereby certify that they are the incorporators of MP. are authorized to execute this verification; that each of the that he has read the foregoing document, understands the	X SYSTEMS . INC Corporation and ne undersigned for himself does hereby further certify
tained and the same are true to the best of his informat	
	(Signature of Incorporator)
•	(Signature of Incorporator) (Each Incorporator Must Sign)
-lied with the requirements of chapter 7 of 11t	corney licensed to practice in the State of South Caro- s of incorporation this certificate is attached, has com- le 33 of the South Carolina Code of 1976, relating my opinion, the corporation is organized for a lawful (Signature) EDWARD C. ROBERTS (Type or Print Name)
	Address P. O. Box 764
	Columbia, S. C. 29218

SCHEDULE OF FEES

(Payable at time of filing Articles of With Secretary of State)

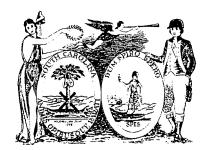
Ree for filing Articles
In addition to the above, \$.40 for each \$1,000.00 of the aggregate value of shares which the Corporation is authorized to issue, but in not case less than nor more than

5.00

40.00 1,000.00

NOTE. THIS FORM MUST BE COMPLETED IN ITS ENTIRETY BEFORE IT WILL BE ACCEPTED FOR FILING
THIS FORM MUST BE ACCOMPAINED BY THE FIRST REPORT OF CORPORATIONS AND A CHECK IN THE
AMOUNT OF SIGPAYABLE TO THE SOULH CAROLINA TAX COMMISSION

The State of South Carolina



Office of Secretary of State Jim Miles Certificate of Existence

I, Jim Miles, Secretary of State of South Carolina Hereby certify that:

SCANA COMMUNICATIONS, INC.,

a corporation duly organized under the laws of the State of South Carolina on **October 1st**, **1984**, and having a perpetual duration unless otherwise indicated below, has as of the date hereof filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the Corporation that it is subject to being dissolved by administrative action pursuant to Section 33-14-210 of the South Carolina Code, and that the corporation has not filed articles of dissolution as of the date hereof.

Given under my Hand and the Great Seal of the State of South Carolina this 12th day of April, 2000.

Jim Miles, Secretary of State

EXHIBIT B Order No. 96-451

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 96-089-C - ORDER NO. 96-451

JULY 5, 1996

IN RE: Application of SCANA Communications,
Inc. for a Certificate of Public) GRANTING
Convenience and Necessity to Provide) AUTHORITY
Intrastate Telecommunications Services)
as a Carrier's Carrier and to Provide)
Private Line and Special Access Service.

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of SCANA Communications, Inc. (SCANA or the Company) requesting authority to provide intrastate facilities—based interexchange telecommunications services as a carrier's carrier in South Carolina and to provide Private Line and Special Access Services within the territory served by BellSouth Telecommunications, Inc. (BellSouth) within the State of South Carolina. The Application was filed pursuant to S. C. Code Ann.\$58-9-280 (1976) as amended, and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed SCANA to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of SCANA's Application and of the manner and time in which to file the

appropriate pleadings for participation in the proceeding. SCANA complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. Petitions to Intervene were filed by American Communications Services, Inc. (ACSI) and the Consumer Advocate for the State of South Carolina (the Consumer Advocate). The Stipulation between SCANA and the Consumer Advocate was received into evidence.

A hearing was held on June 27, 1996 at 2:30 p.m. in the Commission's Hearing Room, the Honorable Guy Butler, Vice Chairman, presided. SCANA was represented by Kevin A. Hall, Esquire and Sarena D. Burch, Esquire. ACSI was represented by Russell B. Shetterly, Esquire and James C. Falvey, Esquire (Falvey was admitted pro hac vice). The Consumer Advocate was represented by Elliott F. Elam, Jr., Esquire. The Commission Staff was represented by F. David Butler, General Counsel.

At the beginning of the hearing, Kevin Hall, elected on behalf of the Company to comply with the certification requirements in effect on March 25, 1996, pursuant to the latest amendment to S. C. Code Ann. §58-9-280 (B).

In support of its Application, SCANA presented the testimony of Michael D. Blackwell and Tim M. Jones. Blackwell described SCANA's Application, its corporate structure, its financial, technical, and managerial resources, its current South Carolina network, and the various public benefits that would result from SCANA's services. Blackwell noted SCANA's management has extensive business and technical experience in operating

telecommunications networks. Further, SCANA has owned fiber optic facilities in South Carolina since approximately 1985, and currently has approximately 180 miles of fiber optic line in use in South Carolina. Blackwell notes that SCANA is financially qualified to provide the requested telecommunications services. Blackwell described SCANA's fiber optic network geographically.

Blackwell testified that the availability of Carrier's Carrier Services promotes competition in South Carolina, which ultimately results in lower prices and communications facilities being utilized more efficiently. The Commission recognized in Order No. 85-813 in Docket No. 85-157-C the competition which results from the availability of Carrier's Carrier Services, and the fact that it promotes better services at lower prices for South Carolina consumers.

Blackwell also testified that the availability of Special Access and Private Line Services promotes competition in South Carolina, which benefits consumers. Blackwell noted that the availability of Private Line and Special Access Services promotes route diversity, increased network reliability, enhanced security, network redundancy, price competition, and expanded choices between telecommunications services and providers for South Carolina consumers. Blackwell also noted that access to quality telecommunications infrastructure is becoming a significant factor in businesses' choice of location. As more and more businesses such as data processing firms, telemarketing firms, and financial institutions require high capacity telecommunications networks,

the availability of quality telecommunications infrastructure is an increasingly important consideration in deciding where to physically locate. Thus, the availability of fiber optic facilities for Private Line and Special Access Services in South Carolina has the potential to significantly enhance the State's ability to attract information and communications intensive business ventures to the State.

Blackwell also commented on whether or not existing local exchange carriers' (LECs') communications facilities in South Carolina are adequate to serve the State's consumers. Blackwell believes that they are not. Blackwell states that the emergence of Special Access and Private Line providers in South Carolina, and nationally demonstrates that customers do not find traditional LEC provided services adequate. The very existence of these companies, along with their success, according to Blackwell, makes its clear that existing LEC-provided services are no longer sufficient to today's telecommunications customers. Further, Blackwell notes that the availability of Special Access and Private Line Services do not constitute wasteful duplication. Special Access and Private Line Providers have emerged as a backup to LEC-provided facilities, and as a result have begun to provide the network diversity essential to preventing service outages.

SCANA also presented the testimony of Tim M. Jones. Jones described the public benefits of competition in telecommunications markets. Jones noted that the availability of transmission capacity on a Carrier's Carrier basis, and the availability of

non-LEC provided Private Line and Special Access Services greatly benefits telecommunications consumers in South Carolina. noted that Carrier's Carrier Services provide transmission capacity to carriers of telecommunications services already authorized to do business by this Commission or the FCC. Further, Jones noted that Private Line Service is a non-switched dedicated telecommunications connection between two points. Special Access Service is a type of Private Line Service that is non-switched, dedicated to one customer, and connects a customer's premises to an interexchange carrier's point of presence. Jones stated that in today's world, customers are seeking and finding multiple providers of long distance, Special Access and Private Line Services. Jones noted that business and government agencies depending on telecommunications services cannot function if the telecommunications services from a single provider are severed, therefore, increasing network reliability through the availability of multiple providers is essential and beneficial to the public. Because there is inherent risk associated with relying exclusively on a sole provider for all long distance, Special Access and/or Private Line Services, according to Jones, it is not adequate or reasonable for large telecommunications dependent customers to rely on a sole source for any of these services. The presence of multiple providers in a market place is therefore essential, according to Jones. Further, the redundancy to be provided by SCANA eliminates the possibility that wasteful duplication of services would result from the granting of the Certificate sought

in this Docket.

FINDINGS OF FACT

- 1. SCANA Communications, Inc. is a wholly-owned subsidiary of SCANA Corporation. SCANA is authorized to transact business in the State of South Carolina by the Secretary of State.
- 2. SCANA operates facility-based interexchange telecommunications services as a carrier's carrier.
- 3. SCANA has the experience, capability, and financial resources to provide services as described in its Application both as a carrier's carrier and as a provider of Special Access and Private Line Services.

CONCLUSIONS OF LAW

- 1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to SCANA to provide intraLATA and interLATA channel service between two points within the State as a carrier's carrier in South Carolina. This Commission defines a carrier's carrier as providing non-switched point-to-point service for authorized telecommunications carriers to and from points of presence (POPs).
- 2. We believe that the guidelines heretofore adopted by this Commission for Interstate Fibernet JV in Order No. 95-25, dated January 24, 1995 in Docket No. 94-424-C apply in the present case. We believe, as we did in that case, that it is in the public interest that SCANA be allowed to carry both interLATA and intraLATA traffic for all types of telecommunications carriers on

a carrier's carrier basis (i.e. non-switched point-to-point telecommunications service) so long as the telecommunications carrier has the authority to carry such traffic. Further, telecommunications carriers having originating and terminating interLATA traffic may transport such traffic between an interLATA carrier's POP, and a telecommunications carrier's carrier switch by the appropriate means of their choice.

- 3. When intraLATA traffic is transported between two connecting telecommunications carriers, the point of connection should be negotiated in good faith and agreed to by the carriers. However, if no agreement is reached, either carrier may seek a final determination from the Commission.
- 4. The Commission agrees with and adopts the Stipulation between SCANA and the Consumer Advocate, and it is herein incorporated by reference. The Stipulation is attached hereto as Appendix A.
- 5. With regard to SCANA's request to provide Private Line and Special Access Services, we agree with the Company's witnesses that the granting of this portion of its authority would provide route diversity, network reliability, enhance security redundancy, price competition, and expanded choice between services and providers. We also note that Kevin Hall, Esquire, elected, pursuant to the new amendments to S. C. Code Ann. §58-9-280(B) to comply with the certification requirements in effect on March 25, 1996, a date just subsequent to the filing of its Application. We therefore hold that the Commission must examine 1) the prevention

of wasteful duplication of facilities and services; and 2) the protection of the consuming public from receiving inadequate service. (See Order on American Communications Service, Inc., Order No. 95-1459 in Docket No. 94-712-C, dated August 31, 1995.) We hold that the testimony presented in this case shows that no wasteful duplication of facilities and services would result from the granting of this Certificate. Further, the consuming public would not only be protected from receiving inadequate service, but would have the opportunity for reasonable additional service that it would not have, should the Certificate at issue not be granted. Clearly the criteria listed in the ACSI Order, as stated above are satisfied.

We note, however, in S. C. Code Ann.§58-9-280(B), that even though a carrier such as SCANA may elect to comply with the certification requirements in effect on March 25, 1996, if its Application is filed prior to that date, such carrier shall still comply with Subsection (B)(4), which states that an Applicant, to the extent it may be required to do so by the Commission, will participate in the support of universally available telephone services at affordable rates. We note that this Commission has yet to speak on this subject. However, when it does, this Applicant will be required to comply with any Commission standards that may be set out pursuant to the statute as quoted above.

IT IS THEREFORE ORDERED THAT:

1. SCANA is hereby granted a Certificate of Public Convenience and Necessity so as to allow it to provide intrastate

non-switched point-to-point services to all telecommunications carriers certified by the Commission as provided for herein in South Carolina, and to allow it to provide Private Line and Special Access Services to customers in territories served by BellSouth.

- 2. SCANA may file sealed contracts with the Commission for sales in the provision of these services.
- 3. Telecommunications carriers having originating and terminating interLATA traffic may transport such traffic between an interLATA carrier's POP, and their switch by the appropriate means of their choice.
- 4. That when intraLATA traffic is transported between two connecting telecommunications carriers, the point of connection must be negotiated in good faith, and agreed to by the carriers; however, if no agreement is reached, either carrier may seek a final determination from the Commission.
- 5. The Stipulation between the Company and the Consumer Advocate is hereby approved and adopted.
- 6. SCANA shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Appendix B.

7. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)

BEFORE THE PUBLIC SERVICE COMMISSION DOCKET NO. 96-089-C

In Re:)	
)	STIPULATION OF APPLICANT
Application of MPX Systems, Inc.)	SCANA COMMUNICATIONS, INC. (f/k/a
for a Certificate of Public)	MPX SYSTEMS, INC.) AND THE CONSUMER
Convenience and Necessity to)	ADVOCATE OF THE STATE OF SOUTH
Provide Intrastate Telecommunications)	CAROLINA
Services as a Carrier's Carrier, Private	j	
Line and Special Access Services within	j	
the State of South Carolina)	

This Stipulation is made and entered into by and between Applicant SCANA Communications, Inc. ("SCI"), a wholly owned subsidiary of SCANA Corporation ("SCANA") and Intervenor, the Consumer Advocate of the State of South Carolina ("Consumer Advocate"), who state and agree as follows:

WHEREAS, on or about March 22, 1996, SCI (f/k/a MPX Systems, Inc.) filed with the South Carolina Public Service Commission ("Commission") its Application requesting that it be granted a Certificate of Public Convenience and Necessity to provide intrastate telecommunications services as a carrier's carrier, as well as private line and special access services;

WHEREAS, the Consumer Advocate filed its Petition to Intervene herein on or about May 15, 1996; and

WHEREAS, the parties, having discussed the proposed Application and their respective concerns, desire to enter into an agreement whereby SCI will define its accounting rules and the Consumer Advocate, in reliance upon such representations, will limit its participation in the above-referenced docket accordingly.

NOW, THEREFORE, in consideration of the benefits flowing to the parties hereto and

1012. / 14337.1

the mutual covenants and promises hereinafter set forth, the parties do hereby mutually stipulate and agree as follows:

- 1. SCI's operations in South Carolina that are subject to the jurisdiction of the Commission will be limited to providing intrastate telecommunications services as carrier's carrier, as well as intrastate private line and special access services as is more fully described in SCI's Application.
- 2. SCI agrees that it will comply with all requirements set forth by this Commission pertaining to affiliated cost allocation and transaction rules and procedures applicable to SCI as an affiliate of a regulated electric utility and any applicable requirements set forth by the Federal Communications Commission and that it will assure that SCANA's other regulated subsidiaries do not unlawfully subsidize the telecommunications operations of SCI. SCI also agrees that it will comply with the requirements of Order No. 92-931 in Docket No. 89-230-E/G pertaining to affiliated transactions.
- 3. SCI agrees that it will maintain separate books and records which identify transactions between affiliates as required by Order No. 92-931. SCI further agrees to provide information to the Commission on an annual basis which sets forth the ratios used to allocate corporate administrative and general costs to SCI as well as other subsidiaries.
- 4. Upon the execution of this Stipulation, the Consumer Advocate shall advise this Commission that its concerns regarding the above-captioned matter have been addressed and that its further participation in the above-captioned docket shall be limited to submitting this Stipulation into the record of this proceeding.
- 5. This Stipulation shall not have precedential value for other proceedings and has been entered into solely for the purpose of resolving the issues identified as currently pending in the above-captioned docket.

1012. / 14337.1

6. The terms and conditions set forth in this Stipulation were arrived at through compromise and negotiation. The parties reserve the right to advocate their original positions on each of the issues currently pending in the above captioned docket if this Stipulation is not approved in its entirety.

7. The parties agree that the aforesaid terms may be included in any Commission Order entered herein, and that this Stipulation may be made an Exhibit to this proceeding.

	$\neg \Box + b$			
SO AGREED this	2/1	day of	June	. 1996
30 AGREED HIS		_ day of		

SCANA COMMUNICATIONS, INC. (f/k/a MPX Systems, Inc.)

By:

Its: Senior Attorney

CONSUMER ADVOCATE FOR THE STATE OF SOUTH CAROLINA

Elliott F. Elam, Jr.

Its: Senior Attorney

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS FOR INTEREXCHANGE COMPANIES AND AOS'S

COMPANY NAME
ADDRESS FEI NO.
ADDRESS
CITY, STATE, ZIP CODE PHONE NUMBER
(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING
(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING
(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING
* THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION, MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.
(4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR ENDING
* THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTICE PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING DECEMBER 31 OR FISCAL YEAR ENDING
(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3 ABOVE).
SIGNATURE
NAME (PLEASE TYPE OF PRINT)
TITLE

EXHIBIT CManagement Profile

George J. Bullwinkel, Jr.

President - SCANA Communications

Mr. Bullwinkel joined SCANA in 1971 as an engineer for SCE&G Gas Operations. Since that date he has held a number of key management positions at SCANA including becoming SCI's President in 1997.

In addition to his SCI responsibilities, he also serves as SCANA Corporation's Sr. Vice President of Governmental Affairs, Economic Development & Customer Relations.

Mr. Bullwinkel is a graduate of Clemson University and holds a B.S. Degree in Mechanical Engineering.

Mr. Bullwinkel is also very active in local civic organizations:

MEMBERSHIPS:

Past President - Hibernian Society of Charleston; Past Chairman of the United Way of South Carolina; Past Board of Visitors Member, Clemson University; College Health, Education & Human Development Advancement Board, Clemson University; Past President, College of Charleston Foundation; Past President, Trident United Way; Past Chairman, Charleston Trident Development Board; Past Campaign Chairman, Trident United Way; Past President, Junior Achievement of Greater Charleston; Past Chairman, International Trade, Charleston Trident Chamber of Commerce; Past Board of Directors, Trident Community Foundation; Advisory Board, NationsBank; Member, Carolina Yacht Club; Member of Palmetto Club, Columbia, SC; Past Chairman of the Columbia Museum of Art Gala; Member of the Board of Trustees for the Columbia Museum of Art; Past Campaign Chairman, Gibbes Museum of Art; Past Campaign Chairman, Charleston Museum; Member of the Southeast Regional Council of the United Way of America, Past Chairman of the Capital Fund Campaign For Heathwood Hall Episcopal School; Member of Heathwood Hall Episcopal School Board of Trustees, Board Member of the Southeastern Wildlife Exposition, Board Member for the Clemson University Research Foundation, Member of the Committee on the Future of Clemson; Member of the Board of Advisors for the Center for Technological Innovation to the Charleston Metro Chamber of Commerce; Member of the United Way of South Carolina Board of Directors; Member of the Columbia Museum of Art Taylor Society; Member of Board of Advisors for the Center for Technological Innovation for the Charleston Metro Chamber of Commerce; Member of the Board of Directors for the Southeastern Wildlife Exposition; Member of the Board of Directors for the S. C. Policy Council Education Foundation

Steve Blackwell

Vice-President, SCANA Communications

Mr. Blackwell joined SCANA Corporation in 1994 and held several positions at SCANA prior to becoming Vice President of SCI. Mr. Blackwell's telecommunications experience includes 21 years with BellSouth and Southern Bell. In addition, he has held positions in telecommunications consulting and served as President and CEO of Digital Mapping and Engineering Services.

Mr. Blackwell is a graduate of The United States Military Academy at West Point and spent six years as a Regular Army Officer, including European overseas service and the Vietnam conflict.

Larry G. Vincent

Manager Sales, Marketing and Customer Service

Mr. Vincent brings more than 24 years of telecommunications experience to SCI. His background includes telecommunications management positions in radio paging, interexchange carrier and cable television services.

Mr. Vincent joined SCI in January of 1999. Immediately prior to that he was Director of Broadband Carrier Services for Knology, Inc., a Southeast-based provider of cable television, Internet and local telephone service.

Mr. Vincent was employed by MCI for 8 years including several years as Global and National Accounts Marketing Manager and holds a BS degree from East Carolina University.

EXHIBIT DFinancial Statement

SCANA COMMUNICATIONS, INC. 2000 BALANCE SHEET MAY 31

ASSETS

7,00210	
Current assets:	
Cash Accounts receivable	883,371
Notes receivable	2,023,906
Interest receivable	1,485
Plant materials & supplies	10
Other	348,599
Total current assets	291,248 3,548,619
Total current assets	3,540,019
Long term investments:	
Investment in joint venture	6,607,771
Other investments-net	782,282,012
	• •
Deferred income taxes	517,000
Property, plant & equipment:	
Land	5,000
Plant in service	31,323,296
Less accum. depreciation	(14,795,836)
Construction in progress	2,766,911
Furniture and equipment-net	250,316
Total Prop, plant & equip	19,549,687
TOTAL ASSETS	812,505,089
LIABILITIES AND STOCKHOLDERS'	EQUITY
Current liabilities:	
Accounts payable	2,487,316
Income taxes payable	(691,246)
Property taxes payable Other	246,915
Total current liabilities	6,072,679
Total current liabilities	8,115,664
Long term liabilities:	
Advances from assoc company	348,932,195
Deferred income taxes	147,574,919
Total long term liabilities	496,507,114
· ·	
TOTAL LIABILITIES	504,622,778
Stockholders' equity:	
Common stock	1
Misc paid in capital	34,895,353
Retained earnings	10,210,755
reduited carrings	45,106,109
	.0,,00,,00
Net unrealized gain-stocks	262,776,202
TOTAL STOCKHOLDERS' EQUITY	307,882,311
TOTAL LIABILITIES & EQUITY	812,505,089

EXHIBIT E
Illustrative Local Tariff
and Price List

TITLE PAGE

SOUTH CAROLINA LOCAL TELECOMMUNICATIONS TARIFF

OF

SCANA COMMUNICATIONS, INC.

This tariff, filed with the
South Carolina Public Service Commission,
contains the rates, terms, and conditions applicable to
Local Exchange Services within the State of South Carolina
offered by SCANA Communications, Inc.

Issued: Effective:

Issued by: George J. Bullwinkel, Jr., President

SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

CHECK SHEET

Page	Revision
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SYMBOLS

Explanation of Symbols - When changes are made in any tariff page, a revised page will be listed canceling the tariff page affected. Changes will be identified on the revised page(s) through the use of the following symbols:

- (C) To signify changed regulation
- (D) To signify discontinued rate or regulation
- (I) To signify increased rates
- (M) To signify material relocated from one page to another without change
- (N) To signify new rate, regulation, or text
- (R) To signify reduced rate
- (T) To signify a change in text, but no change in rate or regulation

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SOUTH CAROLINA TARIFF NO. 1 Original Page 6

APPLICATION OF TARIFF

This tariff contains the regulations, services, and rates applicable to the provision of local exchange telecommunications services by SCANA Communications, Inc., hereinafter referred to as "the Company," within the State of South Carolina and specifically in those locations approved by the South Carolina Public Service Commission or designated by tariff filings detailed herein.

Issued:

Effective:

Issued by:

George J. Bullwinkel, Jr., President SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

1.0 - DEFINITIONS

Access Line - An arrangement that connects the customer's location to a Company switching center or point of presence.

Authorized User - A person, firm, corporation, or any other entity authorized by the customer to communicate utilizing the Company's service.

Carrier or Company - Whenever used in this tariff, "Carrier" or "Company" refers to SCANA Communications, Inc., unless otherwise clearly indicated by the contract.

Commission - The South Carolina Public Service Commission

Customer - The person, firm, corporation, or other entity which orders, cancels, amends, or uses service and is responsible for the payment of charges and compliance with the Company's tariff.

Local Calling Area - The area within which telecommunication service is furnished customers under a specific schedule or exchange access rates. A local calling area may include one or more exchange service areas or portions of exchange service areas.

ILEC - The Incumbent Local Exchange Carrier.

LEC - Local Exchange Company.

Local Exchange Services - Telecommunications services furnished for use by end-users in placing and receiving local telephone calls within local calling areas

Resold Local Exchange Service - A service composed of the resale of exchange access lines and local calling provided by other authorized Local Exchange Carriers, in combination with Company-provided usage services, miscellaneous services or interstate/international services.

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2.0 - RULES AND REGULATIONS

2.1 Undertaking of the Company

The services of the Company offered pursuant to this tariff are furnished for Local Exchange Service among specified points within a Local Calling Area. The Company may offer these services over its own or resold facilities.

The Company installs, operates, and maintains the communications services provided hereunder in accordance with the terms and conditions set forth under this tariff. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities as required in the Commission's rules and orders, when authorized by the Customer, to allow connection of a Customer's location to the Company's network. The Customer shall be responsible for all charges due for such service arrangement as listed in Section 6 as well as any pass through charges billed by other carriers or entities.

The Company's services and facilities are provided on a monthly basis unless otherwise indicated and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment and subject to the provisions of this tariff.
- 2.2.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.4 All facilities provided under this tariff are directly controlled by the Company, and the customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

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Cayce, South Carolina 29033

2.2 Limitations (Cont'd)

2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.3 Use

Services provided under this tariff may be used for any lawful purposes for which the service is technically suited.

2.4 Liability of the Company

- The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the faults in transmission occur.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special, or consequential damages), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

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2.4 Liability of the Company (Cont'd)

- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim or loss, expense, or damage (including indirect, special, or consequential damages) for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary, or creative right, or any other injury to any person, property, or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use, or removal of equipment or wiring provided by the Company, if not directly caused by the gross negligence of the Company.
- 2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's gross negligence or willful misconduct.

2.5 Deposits

Deposits may be required from Customers whose credit history is unacceptable or unavailable. Deposits are collected in accordance with the rules of the Commission.

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2.6 Advance Payments

2.6.1 Recurring Charges

For Customers from whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and a new advance payment may be collected for the next month.

2.6.2 Nonrecurring Charges

The Company reserves the right to require pre-payment of nonrecurring charges in such amount as may be deemed necessary by the Company. In addition, where special construction is involved, advance payment of the quoted construction charges may be required at the time of application for service.

2.7 Taxes

All federal, state and local taxes (including but not limited to franchise fees, excise tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.8 Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX or key systems. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities.

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2.8 Equipment (Cont'd)

- 2.8.2 The Company shall use reasonable efforts to maintain facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, disconnect, rearrange, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- 2.8.3 Equipment the Company provides or installs at the Customer's premises for use in connection with services the Company offers shall not be used for any purpose other than that for which the Company provided it.
- 2.8.4 The Customer shall be responsible for payment of service charges, as set forth herein, for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
- 2.8.5 The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission or the reception of signals by Customer-provided equipment.
- 2.8.6 Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in the section for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of such facilities and equipment to Company-provided facilities and equipment.

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2.8 Equipment (Cont'd)

2.8.7 Title to all facilities provided by the Company under this tariff shall remain in the Company's name or in the name of the carrier supplying the services and facilities being resold.

2.9 Payment for Service

- 2.9.1 The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an authorized user of the Customer by the Company. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of the Commission.
- 2.9.2 The Company's billing invoices will be considered correct and binding upon the Customer if no written notice is received from the Customer within thirty (30) days of the date of the invoice. Adjustments to Customer's bills shall be made to the extent circumstances exist which reasonably indicate that such changes are appropriate.
- 2.9.3 Upon receipt of a billing inquiry, charges involved in the disputed element(s) of the invoice will be temporarily suspended pending resolution of the dispute. The Customer, however, remains responsible for the timely payment of the non-disputed elements of the invoice.

2.10 Cancellation by the Customer

Pending proper identification, the Customer may cancel service by providing notice to the Company.

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2.11 Interconnection

Service furnished by the Company may be connected with the services or facilities of other carriers or enhanced service providers. The Customer is responsible for all charges billed by these entities for use in connection with the Company's service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the Customer. Neither the Company nor any connecting carrier participating in a service shall be liable for any act or omission of any other company or companies furnishing a portion of such service.

2.12 Refusal or Discontinuance by the Company

The Company may refuse, suspend, or discontinue service under the following conditions without incurring any liability provided that, unless otherwise stated, the Customer shall be given seven (7) days written notice to comply with any rule or to remedy any deficiency.

- 2.12.1 For non-compliance with or violation of any State, municipal, or Federal law, ordinance, or regulation pertaining to telecommunications service.
- 2.12.2 For use of telecommunications service for any property or purpose other than that described in the application.
- 2.12.3 For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- 2.12.4 For noncompliance with or violation of a Commission regulation or the Company's rules and regulations on file with the Commission.
- 2.12.5 For nonpayment of bills, including bills for any of the Company's other communication services, provided that suspension or termination of service shall not be made without five (5) days written notice to the Customer. However, residential basic local service shall not be disconnected for nonpayment for at least 30 days from the date of the bill, and the Company has given the Customer a written notice of the proposed disconnection at least five (5) days before the date of disconnection.

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2.0 - RULES AND REGULATIONS (CONT'D)

Refusal or Discontinuance by the Company (Cont'd) 2.12

- 2.12.6 Without notice in the event of Customer or authorized user use of equipment in such a manner as to adversely affect the Company's equipment or service to others.
- 2.12.7 Without notice in the event of tampering with the equipment or services owned by the Company or its agents.
- 2.12.8 Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- 2.12.9 Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits the Company from furnishing such services.

Inspection, Testing, and Adjustment 2.13

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

Tests, Pilots, Promotional Campaigns, and Contests 2.14

The Company may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service, and to promote the sale of its services. The Company may also waive a portion of all processing fees or installation fees by winners of contests and other occasional promotional events sponsored or endorsed by the Company. From time to time, the Company may waive all processing fees for a Customer. The Company will notify the Commission regarding specific promotions and contests.

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> George J. Bullwinkel, Jr., President Issued by: SCANA Communications, Inc.

Interruption of Service 2.15

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment, or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired by the Customer Before giving such notice, the Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's terminal. Interruptions caused by Customerprovided or Company-provided automatic dialing equipment are not deemed an interruption of service as defined.

Cost of Collection and Repair 2.16

The Customer is responsible for any and all costs incurred in the collection of moneys due the Company including legal and accounting expenses. The Customer is also responsible for recovery costs of Company provided equipment and any expenses required for repair or replacement of damaged equipment.

Returned Check Charges 2.17

A fee in the amount allowed by S.C. Code Annotated Section 34-11-70 will be charged whenever a check or draft presented for service is not accepted by the institution on which it is written.

Service Implementation 2.18

Absent a promotional offering, service implementation charges as listed in Section 6 will apply per service order to a new service order or to orders to change existing service as specified in Section 3.

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George J. Bullwinkel, Jr., President Issued by: SCANA Communications, Inc.

2.19 Reconnection Charge

A reconnection fee per occurrence may be charged when service is re-established for Customers who have been disconnected for non-payment, and is payable at the time that the restoration of suspended service and facilities is arranged. If a Customer premises visit is required, an additional fee may be charged. Reconnection charges are listed in Section 6.

2.20 Late Payment Charges

A late payment charge of 1.5% of unpaid balance after 30 days may be charged per month.

2.21 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is construction undertaken:

- where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- of a type other than that which the Company would normally utilize in the furnishing of its services;
- over a route other than that which the Company would normally utilize in the furnishing of its services;
- 4. in a quantity greater than that which the Company would normally construct;
- 5. on an expedited basis;
- 6. on a temporary basis until permanent facilities are available;
- 7. involving abnormal costs; or
- 8. in advance of its normal construction.

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2.21 Special Construction (Cont'd)

The Customer will be charged for the special construction based upon engineering, labor, and cost of materials. An estimate will be provided to the Customer before any construction is undertaken.

2.22 Promotions

If the Company plans to offer any promotions, such promotions must be filed with the Commission prior to implementation.

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3.0 - DESCRIPTION OF SERVICE

3.1 Local Service Areas

The Company will provide Local Exchange Service within the State of South Carolina. The Company concurs in the local calling areas defined in the local exchange tariff of the ILEC for the geographic area being served.

3.2 Product Descriptions

3.2.1 Business Services

A. Business Data Connection - Digital Subscriber Line (DSL) Service

DSL service is a full period connection, which allows access to data services at all times. DSL service allows the Customer to utilize a dedicated point-to-point transmission facility between the Customer premises and the Company's central office or hub location. The DSL facility may be used for voice and data communications simultaneously. For Data Connection - DSL service application, voice communications will remain with the existing ILEC or competitive LEC or may be directed to another competitive LEC. The Company does not provide switched voice service itself, but will coordinate the Customer's request for voice service.

Compatible Customer Premises Equipment (CPE) is required for this service. The Company may provide CPE under separate contract or lease arrangements. The Company is not obligated to provide maintenance for Customer provided CPE and will not assume responsibility for non-compliant equipment.

The Company will provide Data Connection - DSL service to business Customers at data connection speeds ranging from 128 Kbps to 7 Mbps. Customers may purchase compatible CPE equipment under separate contract or lease arrangements.

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3.0 - DESCRIPTION OF SERVICE (CONT'D)

3.2 Product Descriptions (Cont'd)

3.2.2 Residential Services

A. Residential Data Connection - Digital Subscriber Line (DSL) Service

The Company will provide Data Connection - DSL service to residential Customers at data connection speeds ranging from 14.4 Kbps to 1.5 Mbps. Customers may purchase compatible CPE equipment under separate contract or lease arrangements.

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4.0 - MAXIMUM RATES

4.1 General

Installation, monthly recurring, and per minute charges may apply to the Company's local exchange services. The maximum rates the Company will charge for services provided under this tariff are set forth below.

4.2 Business Services

4.2.1 Business Data Connection - DSL Service

Connection <u>Rate</u>	Nonrecurring <u>Charge</u>	Monthly <u>Rate</u>
768 Kbps	\$ xxx.xx	\$ xxx.xx
2.5 Mbps	\$ xxx.xx	\$ xxx.xx
4.0 Mbps	\$ xxx.xx	\$x,xxx.xx
5.5 Mbps	\$x,xxx.xx	\$x,xxx.xx
7.0 Mbps	\$x,xxx.xx	\$x,xxx.xx

4.2.2 Reconnection Charge

Per occurrence,	, without premises visit	\$ xx.xx
Per occurrence	, with premises visit	\$xxx.xx

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Issued by: George J. Bullwinkel, Jr., President SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

4.0 - MAXIMUM RATES (CONT'D)

4.3 Residential Services

4.3.1 Residential Data Connection - DSL Service

Connection	Nonrecurring	Monthly
<u>Rate</u>	<u>Charge</u>	<u>Rate</u>
384 Kbps	\$ xx.xx	\$ xx.xx
512 Kbps	\$ xx.xx	\$xxx.xx
768 Kbps	\$ xx.xx	\$xxx.xx
1.5 Mbps	\$xxx.xx	\$xxx.xx

4.3.2 Reconnection Charge

Per occurrence, without premises visit	\$ xx.xx
Per occurrence, with premises visit	\$xxx.xx

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5.0 - SPECIAL SERVICE ARRANGEMENTS

5.1 Individual Case Basis Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide special request from a Customer or prospective Customer to develop a competitive bid for a service not generally available under this tariff. The Company's rates will be offered to the Customer in writing and on a non-discriminatory basis. All such rates will be submitted to the Commission for approval.

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Issued by: George J. Bullwinkel, Jr., President

SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

6.0 - PRICE LIST

6.1 General

Installation, monthly recurring, and per minute charges may apply to the Company's local exchange services.

6.2 Business Services

6.2.1 Business Data Connection - DSL Service

Connection	Nonrecurring	Monthly
<u>Rate</u>	<u>Charge</u>	<u>Rate</u>
768 Kbps	\$ xxx.xx	\$ xxx.xx
2.5 Mbps	\$ xxx.xx	\$ xxx.xx
4.0 Mbps	\$ xxx.xx	\$x,xxx.xx
5.5 Mbps	\$x,xxx.xx	\$x,xxx.xx
7.0 Mbps	\$x,xxx.xx	\$x,xxx.xx

6.2.2 Reconnection Charge

Per occurrence	without premises visit	\$ xx.xx
Per occurrence	with premises visit	\$xxx.xx

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6.0 - PRICE LIST (CONT'D)

6.3 Residential Services

6.3.1 Residential Data Connection - DSL Service

Connection	Nonrecurring	Monthly <u>Rate</u>	
Rate	<u>Charge</u>		
204 771	ø.	Ф	
384 Kbps	\$ xx.xx	\$ xx.xx	
512 Kbps	\$ xx.xx	\$xxx.xx	
768 Kbps	\$ xx.xx	\$xxx.xx	
1.5 Mbps	\$xxx.xx	\$xxx.xx	

6.3.2 Reconnection Charge

Per occurrence, without premises visit \$ xx.xx Per occurrence, with premises visit \$xxx.xx

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EXHIBIT FIllustrative Interexchange Tariff and Price List

TITLE PAGE

SOUTH CAROLINA INTEREXCHANGE TELECOMMUNICATIONS TARIFF

OF

SCANA COMMUNICATIONS, INC.

This tariff, filed with the
South Carolina Public Service Commission,
contains the rates, terms, and conditions applicable to
Interexchange Telecommunications Services within the State of South Carolina
offered by SCANA Communications, Inc.

Issued: Effective:

Issued by: George J. Bullwinkel, Jr., President SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240

Cayce, South Carolina 29033

CHECK SHEET

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SYMBOLS

Explanation of Symbols - When changes are made in any tariff page, a revised page will be listed canceling the tariff page affected. Changes will be identified on the revised page(s) through the use of the following symbols:

- (C) To signify changed regulation
- (D) To signify discontinued rate or regulation
- (I) To signify increased rates
- (M) To signify material relocated from one page to another without change
- (N) To signify new rate, regulation, or text
- (R) To signify reduced rate
- (T) To signify a change in text, but no change in rate or regulation

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Issued by:

George J. Bullwinkel, Jr., President SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

APPLICATION OF TARIFF

This tariff contains the regulations, services, and rates applicable to the provision of interexchange telecommunications services by SCANA Communications, Inc., hereinafter referred to as "the Company," for telecommunications between points within the State of South Carolina.

Issued: Effective:

Issued by: George J. Bullwinkel, Jr., President SCANA Communications, Inc.

1.0 - DEFINITIONS

Authorized User - A person, firm, corporation, or any other entity authorized by the customer to communicate utilizing the Company's service.

Carrier or Company - Whenever used in this tariff, "Carrier" or "Company" refers to SCANA Communications, Inc., unless otherwise clearly indicated by the contract.

Commission - The South Carolina Public Service Commission.

Customer - The person, firm, corporation, or other entity which orders, cancels, amends, or uses service and is responsible for the payment of charges and compliance with the Company's tariff.

LEC - Local Exchange Company.

Service - Any or all services provided pursuant to this Tariff.

Telecommunications - The transmission of voice, data, facsimile, signaling, metering, or other similar communications.

Issued: Effective:

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SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

2.0 - RULES AND REGULATIONS

2.1 Undertaking of the Company

The services of the Company are furnished for interexchange service within the State of South Carolina. The Company's services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff. The Company may offer these services over its own or resold facilities.

The Company installs, operates, and maintains the communications services provided hereunder in accordance with the terms and conditions set forth under this tariff. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities as required in the Commission's rules and orders, when authorized by the Customer, to allow connection of a Customer's location to the Company's network. The Customer shall be responsible for all charges due for such service arrangement as listed in Section 6 as well as any pass through charges billed by other carriers or entities.

The Company's services and facilities are provided on a monthly basis unless otherwise indicated and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment and subject to the provisions of this tariff.
- 2.2.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.4 All facilities provided under this tariff are directly controlled by the Company, and the customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

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2.2 Limitations (Cont'd)

2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.3 Use

Services provided under this tariff may be used for any lawful purposes for which the service is technically suited.

2.4 Liability of the Company

- The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the faults in transmission occur.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special, or consequential damages), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

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2.4 Liability of the Company (Cont'd)

- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim or loss, expense, or damage (including indirect, special, or consequential damages) for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary, or creative right, or any other injury to any person, property, or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use, or removal of equipment or wiring provided by the Company, if not directly caused by the gross negligence of the Company.
- 2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's gross negligence or willful misconduct.

2.5 Deposits

Deposits may be required from Customers whose credit history is unacceptable or unavailable. Deposits are collected in accordance with the rules of the Commission.

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Cayce, South Carolina 29033

2.0 - RULES AND REGULATIONS (CONT'D)

2.6 Advance Payments

2.6.1 Recurring Charges

For Customers from whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and a new advance payment may be collected for the next month.

2.6.2 Nonrecurring Charges

The Company reserves the right to require pre-payment of nonrecurring charges in such amount as may be deemed necessary by the Company. In addition, where special construction is involved, advance payment of the quoted construction charges may be required at the time of application for service.

2.7 Taxes

All federal, state and local taxes (including but not limited to franchise fees, excise tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.8 Equipment

2.8.1 The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX or key systems. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities.

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2.8 Equipment (Cont'd)

- 2.8.2 The Company shall use reasonable efforts to maintain facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, disconnect, rearrange, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- 2.8.3 Equipment the Company provides or installs at the Customer's premises for use in connection with services the Company offers shall not be used for any purpose other than that for which the Company provided it.
- 2.8.4 The Customer shall be responsible for payment of service charges, as set forth herein, for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
- 2.8.5 The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission or the reception of signals by Customer-provided equipment.
- 2.8.6 Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in the section for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of such facilities and equipment to Company-provided facilities and equipment.

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2.8 Equipment (Cont'd)

2.8.7 Title to all facilities provided by the Company under this tariff shall remain in the Company's name or in the name of the carrier supplying the services and facilities being resold.

2.9 Payment for Service

- 2.9.1 The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an authorized user of the Customer by the Company. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of the Commission.
- 2.9.2 The Company's billing invoices will be considered correct and binding upon the Customer if no written notice is received from the Customer within thirty (30) days of the date of the invoice. Adjustments to Customer's bills shall be made to the extent circumstances exist which reasonably indicate that such changes are appropriate.
- 2.9.3 Upon receipt of a billing inquiry, charges involved in the disputed element(s) of the invoice will be temporarily suspended pending resolution of the dispute. The Customer, however, remains responsible for the timely payment of the non-disputed elements of the invoice

2.10 Cancellation by the Customer

Pending proper identification, the Customer may cancel service by providing notice to the Company.

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2.11 Interconnection

Service furnished by the Company may be connected with the services or facilities of other carriers or enhanced service providers. The Customer is responsible for all charges billed by these entities for use in connection with the Company's service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the Customer. Neither the Company nor any connecting carrier participating in a service shall be liable for any act or omission of any other company or companies furnishing a portion of such service.

2.12 Refusal or Discontinuance by the Company

The Company may refuse, suspend, or discontinue service under the following conditions without incurring any liability provided that, unless otherwise stated, the Customer shall be given seven (7) days written notice to comply with any rule or to remedy any deficiency.

- 2.12.1 For non-compliance with or violation of any State, municipal, or Federal law, ordinance, or regulation pertaining to telecommunications service.
- 2.12.2 For use of telecommunications service for any property or purpose other than that described in the application.
- 2.12.3 For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- 2.12.4 For noncompliance with or violation of a Commission regulation or the Company's rules and regulations on file with the Commission.
- 2.12.5 For nonpayment of bills, including bills for any of the Company's other communication services, provided that suspension or termination of service shall not be made without five (5) days written notice to the Customer.

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2.12 Refusal or Discontinuance by the Company (Cont'd)

- 2.12.6 Without notice in the event of Customer or authorized user use of equipment in such a manner as to adversely affect the Company's equipment or service to others.
- 2.12.7 Without notice in the event of tampering with the equipment or services owned by the Company or its agents.
- 2.12.8 Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- 2.12.9 Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits the Company from furnishing such services.

2.13 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.14 Tests, Pilots, Promotional Campaigns, and Contests

The Company may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service, and to promote the sale of its services. The Company may also waive a portion of all processing fees or installation fees by winners of contests and other occasional promotional events sponsored or endorsed by the Company. From time to time, the Company may waive all processing fees for a Customer. The Company will notify the Commission regarding specific promotions and contests.

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2.15 Interruption of Service

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment, or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired by the Customer. Before giving such notice, the Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's terminal. Interruptions caused by Customer-provided or Company-provided automatic dialing equipment are not deemed an interruption of service as defined.

2.16 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of moneys due the Company including legal and accounting expenses. The Customer is also responsible for recovery costs of Company provided equipment and any expenses required for repair or replacement of damaged equipment.

2.17 Returned Check Charges

A fee in the amount allowed by S.C. Code Annotated Section 34-11-70 will be charged whenever a check or draft presented for service is not accepted by the institution on which it is written.

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Cayce, South Carolina 29033

2.18 Reconnection Charge

A reconnection fee per occurrence may be charged when service is re-established for Customers who have been disconnected for non-payment, and is payable at the time that the restoration of suspended service and facilities is arranged. If a Customer premises visit is required, an additional fee may be charged. Reconnection charges are listed in Section 6.

2.19 Late Payment Charges

A late payment charge of 1.5% of unpaid balance after 30 days may be charged per month.

2.20 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is construction undertaken:

- 1. where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- of a type other than that which the Company would normally utilize in the furnishing of its services;
- over a route other than that which the Company would normally utilize in the furnishing of its services;
- 4 in a quantity greater than that which the Company would normally construct;
- 5. on an expedited basis;
- 6. on a temporary basis until permanent facilities are available;
- 7. involving abnormal costs; or
- 8. in advance of its normal construction.

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2.0 - RULES AND REGULATIONS (CONT'D)

2.20 Special Construction (Cont'd)

The Customer will be charged for the special construction based upon engineering, labor, and cost of materials. An estimate will be provided to the Customer before any construction is undertaken.

2.21 Promotions

If the Company plans to offer any promotions, such promotions must be filed with the Commission prior to implementation.

2.22 Marketing Practices

As a telephone utility under the regulation of the Commission, the Company does hereby assert and affirm that, as a reseller of intrastate telecommunications service, it will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and it will comply with those marketing procedures, if any, set forth by the Commission. Additionally, the Company will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. The Company understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the State of South Carolina.

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SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

3.0 - DESCRIPTION OF SERVICE

3.1 General

- 3.1.1 Rates and charges vary depending upon the service option selected by the Customer. Service offerings may involve one or more of the following: installation charges, usage charges, monthly recurring charges, and a minimum monthly usage charge, as specified herein.
- 3.1.2 Chargeable time begins when the Company receives signaling to detect that the network connection between the calling station and the called station has been established. Chargeable time ends when either party "hangs up" thereby releasing the network connection. All calls are measured and billed in one minute increments; fractional minutes of use are rounded up to the next full minute, unless otherwise specified herein. The Company does not bill for incomplete calls.

3.2 Product Descriptions

3.2.1 Business Services

A. Basic Business Service

Basic Business Service is an outbound long distance rate plan available to business customers using switched access to reach the long distance network.

3.2.2 Residential Services

A. Basic Residential Service

Basic Residential Service is an outbound long distance rate plan available to residential customers using switched access to reach the long distance network.

Issued: Effective:

Issued by: George J. Bullwinkel, Jr., President SCANA Communications, Inc.

4.0 - MAXIMUM RATES

4.1 General

The maximum rates the Company will charge for services provided under this tariff are set forth below.

4.2 Business Services

No maximum rates apply.

4.3 Residential Services

4.3.1 Basic Residential Service \$0.30

Issued: Effective:

Issued by: George J. Bullwinkel, Jr., President

SCANA Communications, Inc. 440 Knox Abbot Drive, Suite 240 Cayce, South Carolina 29033

5.0 - SPECIAL SERVICE ARRANGEMENTS

5.1 Individual Case Basis Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide special request from a Customer or prospective Customer to develop a competitive bid for a service not generally available under this tariff. The Company's rates will be offered to the Customer in writing and on a non-discriminatory basis. All such rates will be submitted to the Commission for approval.

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SOUTH CAROLINA TARIFF NO. 2

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6.0 - PRICE LIST

6.1 **Business Services**

Per MOU 6.1.1 Basic Business Service \$ 0.20

6.2 **Residential Services**

Per MOU 6.2.1 Basic Residential Service \$ 0.20

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